



Commodities Deep Dive

Pillar 4

PEPFAR Mozambique, MOH & GF | April 4, 2023



National Commodity Needs and Assumptions

Commodity Category	FY24 Needs
Lab (VL, EID, Sample Collection, Other)	\$ 54,629,567
VMMC	\$ 1,945,952
ARVs (Adult, Peds, PrEP)	\$ 127,376,231
RTKs	\$ 14,579,928
Condoms	\$ 8,223,473
TPT	\$ 4,697,559
Hepatitis	\$ 730,144
Advanced Disease/CD4	\$ 10,930,234
TOTALS	\$ 223,113,088

- ARV, VL, EID and RTK needs estimates based on revised MISAU targets from the 2023 HIV quantification exercise
- The quantification is led by multidisciplinary teams. Assumptions and inputs are agreed upon by all participating stakeholders
- Some commodities are PEPFAR-funded only, some exclusively GF-supported, some shared between multiple donors
- GRM contributes to procurement of several key commodities



PEPFAR-only	GRM Contribution
PEPFAR & GF	Global Fund-only

Commodity Needs – Summary Table

Does not include Global Fund NFM3 savings or new grant proposal

For each row:

Quantified Need

−

Orders in Pipeline

−

COP23

−

GRM

=

Remaining need

Commodity Category	FY24 Needs (A)	PEPFAR Orders in Pipeline (B)	PEPFAR COP23 (C)	Global Fund Orders in Pipeline (D)	GRM (E)	Remaining Need = A - B - C - D - E
Lab (VL, EID, Other)	\$ 54,629,567	\$ 12,011,248	\$ 42,637,455	\$ -	\$ -	\$ 0
ARVs	\$ 127,376,231	\$ 9,421,113	\$ 27,935,215	\$ 45,567,800	\$ 5,400,000	\$ 39,052,103
RTKs	\$ 14,579,928	\$ -	\$ 4,361,096	\$ 5,018,907	\$ -	\$ 5,199,925
Condoms	\$ 8,223,473	\$ -	\$ 900,000	\$ 1,992,360	\$ 258,840	\$ 5,072,273
VMMC	\$ 1,945,952	\$ -	\$ 1,945,952	\$ -	\$ -	\$ 0
TPT	\$ 4,697,559	\$ -	\$ -	\$ 1,016,400	\$ 330,000	\$ 3,351,159
Hepatitis	\$ 730,144	\$ -	\$ -	\$ 155,295	\$ -	\$ 574,849
Advanced Disease/ CD4+	\$ 10,930,234	\$ -	\$ -	\$ 954,632	\$ -	\$ 9,975,602
TOTALS	\$ 223,113,088	\$ 21,432,361	\$ 77,779,718	\$ 54,705,394	\$ 5,988,840	\$ 63,206,755

Commodity Needs and Gaps – Summary

Commodity Category	Remaining (Unallocated) Need FY 2024
Lab (VL, EID, Other)	\$ 0
ARVs	\$ 39,052,103
RTKs	\$ 5,199,925
Condoms	\$ 5,072,273
VMMC	\$ 0
TPT	\$ 3,351,159
Hepatitis	\$ 574,849
Advanced Disease/CD4	\$ 9,975,602
TOTALS	\$ 63,206,775



Key takeaways/discussion

Viral Load

- VL needs will be covered up to 2.3M tests in FY24; this is made possible by a COP23 increased PEPFAR contribution and the existing orders (pipeline)
- In order to cover the need for VL and EID in a flatline budget scenario, there has been a reduction in the PEPFAR ARV contributions

PrEP and VMMC

- PEPFAR will be fully responsible for PrEP and VMMC commodities in COP23

ARVs, RTKs, Condoms, TPT, and Hepatitis

- GF will cover remaining needs through savings and GC7 proposal

Advanced Disease/CD4

- The CD4 testing platforms approach has yet to be finalized, yet GF is expected to fully cover advanced diseased commodity needs

Commodities Summary

Potential Areas for Discussion

- PEPFAR will not increase its overall commodities budget (\$77.8M) in COP23 due to anticipated NFM3 savings and expected GC7 contributions
- PEPFAR will fund up to 2.3M VL tests, despite a national quantification need of 2.6M
- For COP23 Year 2, PEPFAR does not anticipate an increase in its commodities budget. This can and will be reviewed carefully with stakeholders during COP23 Year 2 development
- GF contribution to lab commodities (VL, EID, and sample collection) is critical as PEPFAR may not be able to remain as the sole contributor for the next three years. Without additional COP funds in future years, significant reductions will have to be made in other areas of the PEPFAR portfolio to accommodate additional VL commodity needs
- With GF assuming even greater responsibility for ARV procurements, careful coordination of supply plans and in-country logistics will be critical
- Despite seemingly aligned timing of COP23 and GC7 proposals, there remains no detailed information regarding GF commodities budgets at this time
- Increased GRM contributions to commodities would improve commodity security

Annexed Slides



Critical Assumptions



Lab

- 2.6M VL tests = 2.43M test results (MISAU quantification Dec 22)
- 236,272 EID tests = 222,426 results (MISAU quantification Dec 22)
- Other costs include auxiliary equipment, cold chain equipment, maintenance & connectivity and bio-safety cabinets for sample processing



ARVs

- Targets: MISAU revised during 2022, aligned with COP22. (TX_curr 2,215,028 Adults and 141,000 Peds by Dec-2024)
- Major cost driver is the price reduction for TLD90 (unloaded - \$10.44 for PEPFAR and \$12.2 for GF)
- PrEP target adjusted to 110,518 new (FY23 target was 90K)
- Infant Prophylaxis based on the current PMTCT Guidelines (NVP+ AZT)



RTKs

- 8.7M testing target in 2024 (MISAU 2020-25 estimates aligned to FY)
- Extra testing calculated for Lactating Women and weekly internal QC (gradual increase)
- Not included PrEP testing (low retention rate, majority of PrEP clients do not reach the next testing point)
- Not included additional quantities for Universal Testing within the VMMC (small quantities)
- HIV AT proposed at 404,400 tests/yr, limited to community use



Condoms

- Current estimated need for FY24 are 182M condoms and 1.5M lubricants
- Potential increase for the 2023/24 needs, with the CNCS expansion of condom strategy for community
- Potential contribution from UNFPA for 2024 is currently unknown.

VMMC

- Includes VMMC kits (essential commodities and instruments), medicines and other commodities used for the instrument's sterilization
- Preliminary targets for FY24 were 202,993 VMMC interventions, based on the FY23 targets

Hepatitis

- Not included in national quantification. Needs estimate represents identified seed funding
- Hep B is quantified for all pregnant women

Advanced Disease

- Includes procurement of composite PLD (Pegalyted Liposomal Doxorubicin)
- CMAM procures some of the advanced disease commodities for oncology

CMAM Contributions to HIV 2022 (1 of 3)

CMAM’s estimated 2022 contributions were (at least) USD \$18.27M.

However, data capture and visibility is difficult for indirect contributions, such as for institutional management costs and Essential Medicines used for HIV patients.

Direct costs for HIV-only products are the easiest to capture, at \$7.3M.

CMAM Produtos Exclusivos da HIV

HIV	
ARVS	\$ 5,400,000.00
CTZ	\$ 1,720,449.00
Flucitosina	\$ 59,675.00
Anfontericina	\$ 24,260.00
Aciclovir	\$ 153,949.00
	\$7,358,333.00

CMAM Contributions to HIV 2022 (2 of 3)

CMAM Produtos essenciais usados no HIV, TB e Malária

Area	Gastos 2022 OE	% alocada (estimado)			Contribuição Indirecta (estimado)		
		HIV	TB	Malária	HIV	TB	Malária
Medicamentos via Classica	\$ 42,128,957	5%			\$ 2,106,448	\$ -	\$ -
PME - Kits	\$ 22,197,219	10%			\$ 2,219,722	\$ -	\$ -
Material Médico Cirúrgico	\$ 19,537,536	15%	10%		\$ 2,930,630	\$ 1,953,754	\$ -
Laboratórios	\$ 4,022,631	20%	5%	5%	\$ 804,526	\$ 201,132	\$ 201,132
Imagiologia (rx)	\$ 2,491,190	20%	10%		\$ 498,238	\$ 249,119	\$ -
Gases Medicinais	\$ 2,967,381	10%	5%		\$ 296,738	\$ 148,369	\$ -
					\$ 8,856,303	\$ 2,552,373	\$ 201,132

Assumptions:

- ME: **5% of Via Classica and 10% of SME kits** allocated to HIV - included ITS, Oi medicines and assistance to other HIV diseases. Example, benzatinic penicillin, ciprofloxacin, azithromycin, ceftriaxone, ampicillin, gentamicin and many other drugs used in other more frequent diseases in HIV such as hypertension, diabetes or oncology.
- MMC: 15% HIV - Material and consumables that CMAM acquires annually, which are used in routine and hospitalization activities. Example the gloves of examination, syringes, catheters etc. most prominent are examination gloves that are used in HIV routine testing.
- Laboratories: **20% for HIV**. CMAM buys reagents of biochemistry, hematology and microbiology that are used in routine in HIV patients, especially in the DA, TB and Malaria (hematology).
- Imaging: RX and all imaging and contrast products that CMAM buys and are used in routine in HIV and TB patients.
- Medicinal gases: **10% for HIV**, especially oxygen in advanced disease or nitrogen/nitrogen in warts/HPV.

CMAM Contributions to HIV 2022 (3 of 3)

**Despesas
Institucionais
com as
gestão da
cadeia
logística**

	Doações	CMAM Produtos exclusivos da HIV, TB e Malaria	CMAM Produtos essenciais usados no HIV, TB e Malaria	Total Produtos 2022	% do valor total	Operações Inst.
HIV	\$98,645,353	\$7,358,333	\$8,856,303	\$114,859,989	26.0%	\$2,052,822
TB	\$11,144,875	\$333,937	\$2,552,373	\$14,031,185	3.0%	\$250,771
Malária	\$17,256,435	\$562,033	\$201,132	\$18,019,600	4.0%	\$322,053
Outros	\$181,312,248	\$122,282,689		\$291,985,129	67.0%	\$5,218,470
	\$308,358,911	\$130,536,992	\$11,609,807	\$438,895,903		\$7,844,116

HIV products represent 26% of the total amount managed by CMAM over 2022, proportionally the institutional value for operations and operating expenses, corresponds to **\$2.05M**.